

~~SECRET~~CIA PROGRESS REPORT**CONFIDENTIAL**COPY NO. 2COPY: Annex 1 (Administration)
Part 3, Section 1DRAFT: CBH Rewrite for DD/A Comment/Approval
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In summary the following observations appear valid
in the field of administration:

1) The assignment of fixed responsibilities to
three separate Deputy Directors is sound and essential
to effective fulfillment of the agency's mission.

2) The excessive influence of administrative-
minded officials on intelligence operations has been
satisfactorily remedied through reorganization.

3) Further centralization will be required for
efficient administration of the expanding organization.

(This is especially true of personnel, medicine, and
training, all three of whom should be combined under
one senior official within the administrative orbit.)

? are we going to
do this? I
understand that
were not at sea
at this time.

4) However, limitations on centralization do
exist, particularly in secret operations.

5) There is need to provide for more effective
planning and for better execution of the administra-
tive support required in covert operations.

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6) Personnel is confronted by the need for rapid expansion without sacrificing quality in personnel.

At the same time, personnel must restore employee

superior?

morale with an improved internal placement program.

7) Pressure for expansion in the administrative offices has resulted in preoccupation with day-to-day problems at the expense of long-term planning.

T here are also other reasons.

8) Although budgetary processes proved adequate for the agency's early life, recent growth demands that they be scrutinized now in the light of OPC requirements.

9) Rapid expansion of the agency has exerted strain upon security and security training.

10) Some waste in the rapidly expanding program may be the necessary price of security. But considerable economy-mindedness is possible without damage -- perhaps even with benefit -- to agency objectives.

11) There is need for better understanding and coordination between administrative and operating offices.

12) If it would merit the public trust, CIA must constantly subject itself to critical examination.

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Periodic independent studies of agency operations must

soon be extended to those offices not already reviewed.

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